FBIS DAILY REPORT

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ESCALONA CITES POLICIES AGAINST DRUG TRAFFICKING

FL190134 Havana Radio Rebelde Network in Spanish 2300 GMT 18 Jun 87

[Text] Cuba today stated that to confront the phenomena of drug addiction and trafficking, the causes which generate these problems must be discovered. This was stated by Cuban Justice Minister Juan Escalona in Vienna at the first ministerial conference on the drug problem.

He said the United States is a great consumer and producer of drugs but demands that underdeveloped countries cease drug production when it is obvious they are not able to do so.

He referred to the Cuban policy of repressing international drug trafficking. Between October 1986 and May 1987, he said, hundreds of drug traffickers from 24 nations were captured. Cuba has strictly complied with the international agreements it has signed, said Escalona.

The justice minister also reiterated Cuba's disposition to contribute to the search for formulas to combat the entire phenomenon of drugs.

DELEGATION ATTENDS CARIBBEAN UNIONS CONFERENCE

FL240112 Havana Radio Rebelde Network in Spanish 2300 GMT 23 Jun 87

[Text] Antonio Lopez, head of the Cuban delegation attending the fifth Caribbean Trade Union conference, reports from Trinidad Tobago.

[Begin Lopez recording] We denounced the effects the payment of the debt, interests of the debt, and dumping [previous word in English] have, as well as the devastating effects of unequal trade. Despite everything, the IMF imposes new adjustment policies in all those countries. Its delegates have been denouncing them during the remarks they have made throughout the conference. We can clearly see that, in proportion, these countries have higher percentages of unemployed as a result of foreign debt payments. The percentages are even higher than countries such as Brazil and Mexico. [end recording]

SIMPSON-RODINO IMPLEMENTATION 'BLOW' TO MEXICO

PA162245 Havana International Service in Spanish 2300 GMT 12 Jun 87

["Our America" commentary read by Manolo Ortega]

[Text] A story in THE WASHINGTON POST about a CIA report on Mexican internal affairs has generated immediate protest within that neighboring country.

The columnist Jack Anderson reported the CIA document indicated serious disorders could erupt in Mexican urban areas in the next few years and the local military would be unable to control them.

Mexican sources state the report is an attempt to sow discord in an army traditionally respectful of the Constitution so that it will consider the possibility of becoming a political alternative in the country, in a manner, of course, that would further the interests of the United States.

This destabilizing tactic is not new in Mexican-U.S. relations, because Mexico has maintained an independent foreign policy for decades. In crucial times, like the time Central America is experiencing at present, Mexico's position is completely at odds with the White House's aggressive and interfering policies.

Months ago, officials of Ronald Reagan's government tried to discredit President Miguel de la Madrid, suggesting he got to power through fraudulent elections. This slander was combined with measures of economic aggression, such as a considerable reduction of purchases of Mexican-made articles.

Shortly afterward, the United States started a campaign to link Mexico to drug trafficking and to highlight so-called problems of corruption among local authorities, as if the U.S. Government had such a clean record in the area of respect for the law.

Another, more recent blow to the Mexicans has been the implementation of the Simpson-Rodino law in U.S. territory. This law will require the return to Mexico of more than 3 million nationals who had crossed the border in search of a better life. However, it was the United States, with its brutal propaganda about the alleged benefits of capitalism, that stimulated this migration, which was very useful in other times because it provided cheap labor for agricultural tasks.

The forced return of the Mexicans, along with 3 million other Latins who will also be obliged to go back across the U.S. southern border, and who will surely settle in that neighboring country, will undoubtedly aggravate the tense socioeconomic situation prevailing in the so-called Aztec nation.

Mexico is one of the biggest debtors in the world, and its inflation threatens to surpass the almost 106 percent it reached 6 months ago, a fact that is reflected in increased costs of basic products.

The last blow, the return of millions of people to an economy in crisis, is a situation that Washington wants to use for political blackmail against Mexico. Washington wants a secure southern border, and to achieve this it must get the Mexican Government to bow to its policies, a priority task to be achieved for the purpose of its so-called national security. However, up to now, Mexicans have shown they respect themselves and have dignity. It is to be expected that this policy, backed by decades of institutionality, will remain unchanged.

ENTERPRISE MEETING BEGINS; CASTRO PRESIDES

FL251553 Havana Radio Reloj Network in Spanish 1403 GMT 25 Jun 87

[By Pablo Farinas]

[Text] The most pressing problems affecting the progress of production and services will be debated in the second meeting analyzing the efforts of Havana enterprises, which is presided over by Commander in Chief Fidel Castro and is being held in Havana's Karl Marx Theater.

Among the 4,000 participants are ministers and vice ministers of the fundamental state organizations and directors of enterprise unions, institutions, and important establishments.

In addition, the meeting is attended by leaders of the Communist Party of Cuba and of the people's government from the two Havana provinces, as well as representatives from mass organizations, trade unions, and the Union of Young Communists.

Thirty-two percent of the participants are women, one-fourth are under the age of 36, and a similar number have held their positions for more than 3 years.

Lezcano Perez Speaks

FL260137 Havana Radio Rebelde Network in Spanish 1700 GMT 25 Jun 87

[By Gisela Bell Heredia from Havana's Karl Marx Theater]

[Text] The second meeting of enterprise directors, secretaries of the Communist Party of Cuba [PC] Union of Young Communists [UJC] and labor leaders of Havana City and Havana Province has been underway since this morning at the Karl Marx Theater in what can already be considered a meeting of the working people with Commander in Chief Fidel Castro. Jorge Lezcano Perez, member of the PCC Central Committee and first secretary in Havana, was the first speaker at the meeting which is being attended by over 3,400 representatives of enterprise unions, important establishments and enterprises of Havana City and Havana.

[Begin Lezcano recording] Here we are, Comrade Fidel, the men you trust fully, the men who work not for money but because of their revolutionary conscience [applause], who work with absolute faithfulness to the revolution and the PCC, the men who represent the dedicated people in the Havana Provinces, the working people, the people who will never betray the revolution. [end recording]

The commander in chief held a dialogue with the speakers. Among them was the PCC secretary for the National Shipyard Enterprise.

[Begin recording] [PCC secretary] We do not feel we have succeeded because we know we still have problems. We are aware of them, we know how to deal with them and are also confident that we can count on our workers to solve them.

[Castro] Last night I read in the TRABAJADORES newspaper a report on a meeting you held recently. I do not know if it was regarding shop 250.

[PCC secretary] A boiler shop.

[Castro] It says a very lively discussion took place there.

[PCC secretary] Very lively.

[Castro] I understand it got rowdy at one point. A solution was being sought to a number of matters; among others, the acquisition of an oxycutting machine for raw material that sometimes is wasted or ruined in the yards. Did you participate in that meeting?

[PCC secretary] Yes, commander.

[Castro] It says that at one point someone had to grab the microphone to put order when the meeting got too rowdy, is that so?

[PCC secretary] The meeting got rowdy.

[Castro] It indicated that someone at the presiding table did not want to discuss a topic or tried to limit the discussion in some way. Is that true?

[PCC secretary] It is true commander. But the real problem was that when a worker was discussing a problem he was harshly interrupted by Comrade Evaristo Baranda [member of the Central Organization of Cuban Trade Unions National Committee and secretary general of the National Merchant Marine, Port, and Fishing Workers Union] which caused an argument -- improper in our opinion -- that upset those attending the meetings; some comrades stood up and very angrily requested the workers be allowed to talk. They said they had the right to speak up and should be heard. I grabbed the microphone because I realized what was happening. Comrade Baranda had unnecessarily lost his temper when he refuted what the worker was saying. So we grabbed the microphone and said Comrade Baranda had gotten worked up, had lost his temper because we believe he has the political backing to explain his point and talk with the worker but should not have talked in the way he did. Therefore we criticized Comrade Baranda's behavior and we said the meeting should focus on the fundamental problems the shop has. [end recording]

During his remarks, Lezcano reported the economic results of Havana Province including the progress made in mercantile production and the reduction of the salary fund with a much more efficient production and with a very positive tendency of production cost reduction. The PCC first secretary also referred to 11,500 microbrigade members who are building houses, child care centers, polyclinics, family doctor offices, and other social projects. In addition to the awareness of the difficulties and errors we still have, said Lezcano, we also have the will of the people, workers, and cadres to solve those problems. He added this year has been the best one in finding solutions and making plans aimed at solving the workers' social problems. The first subject discussed during last year's meeting was the one related to payments in foreign currency to some maritime transportation enterprises. Transportation Minister Diocles Torralba reported on this. The response given by Caribbean and Mambisa Shipping enterprises workers was acknowledged by Jorge Lezcano who extended congratulations -- as suggested by Comrade Fidel Castro -- to the workers of the National Shipyard Enterprise. The debates conducted at the Karl Marx Theater show that the meeting is not dwelling on success but is focusing on critical and objective analyses which make evident the response of the working people to the call of the PCC and Fidel, which marked an important moment last year in this same theater.

LENGTHY AGENDA CAUSES EXTENSION OF CARICOM MEETING

FL241930 Bridgetown CANA in English 1612 GMT 24 Jun 87

[Text] Castries, St Lucia, June 24, CANA -- A lengthy agenda has forced the organisers of next week's eighth Caribbean Community (Caricom) heads of government conference here to start a day earlier.

A Caricom Secretariat spokesman here said the formal opening ceremony has been shifted from next Tuesday morning to Monday afternoon at 5:00 pm to allow the leaders more time for discussion.

The official opening ceremony at the government sports complex will be preceded by a meeting of Caricom finance ministers on Monday morning.

Grenada's Prime Minister Herbert Blaize said today that the agenda was so big and powerful that the summit was extended for a day, so that enough ground could be covered.

Difficulties inhibiting intra-regional trade is, as usual, expected to be one of the key items for discussion during the conference, which ends July 3.

On this question attention is expected to be focussed on recent bilateral initiatives by Barbados, and Trinidad and Tobago, and Caricom Secretariat documentation listing complaints by member states about the continuing barriers to intra-regional trade, by individual member states.

The setting up of a Caricom export bank, formerly referred to as an export credit facility, and plans for the launching of the long-mooted Caricom enterprise regime, are also on the Castries summit agenda.

Other items include proposals for the setting up of a Caribbean court of appeal and a regional human rights commission, a review of programmes administered by the Caricom Secretariat, a proposal for the establishment of a joint mechanism to manage access to the territorial seas and exclusive economic zones of member states.

Cooperation in health, preparations for the 1988 Carifesta (Caribbean Festival of Arts) in Jamaica and apartheid in sports are also down for discussion.

COMMONWEALTH DEVELOPMENT CORPORATION GRANTS LOANS

FL242222 Bridgetown CANA in English 1710 GMT 24 Jun 87

[Text] Bridgetown, Barbados, June 24, CANA -- The Commonwealth Development Corporation [CDC] committed more than 74 million pounds sterling to 11 Caribbean Community (Caricom) members last year, a report from the corporation showed today.

Jamaica, with 32.3 million pounds, was the main recipient of pledged funding by the CDC, the leading public sector instrument of direct British investment in developing countries. The second largest beneficiary was St Lucia, to which 23.9 million pounds in aid was committed.

The corporation noted that an 8.8 million pounds loan was agreed on last year towards the cost of a major new power development programme for St Lucia Electricity Services Ltd.

A prominent part of the activities of CDC's East Caribbean office is to look for new opportunities for CDC investment in the East Caribbean area, both in the public and private sectors, and we therefore welcome approaches from the sponsors of viable projects of sufficient scale, a spokesman for the corporation said.

Belize received total commitments valued at 6.2 million pounds and Barbados 5.9 million pounds in funding agreed to for various projects.

NEW HUMAN RIGHTS GROUP TO BE CALLED CARICARE

FL231511 Bridgetown CANA in English 2106 GMT 22 Jun 87

[Text] Bridgetown, Barbados, June 22, CANA -- Former St Vincent and the Grenadines' Governor Sir Rupert John has been appointed to head a new Caribbean human rights group. His selection came at the end of a two-day human rights conference held here at the weekend.

The group, to be called Caricare, will monitor human rights in the region and provide a machinery for redress and to promote human and democratic rights, according to officials.

They said that a decision was taken to inform this month's Caribbean Community (Caricom) heads of government summit in St Lucia about the formation of the new association.

Others elected to serve on the executive include University of the West Indies lecturer Dr Ramesh Deosaran as 1st vice-president, and Guyanese lawyer Ashton Chase as 2nd vice-president. Grenadian freelance journalist Alistair Hughes and Senator John Wickman of Barbados were also elected to the executive of Caricare.

Sources said that Vincentian Solicitor-General Donald Trotman has been mandated to set up the administrative machinery for the new organisation.

Among those named to serve on the advisory committee of the new human rights organisation are the former Attorneys-General of Trinidad and Tobago and Jamaica Russell Martineau and Winston Spaulding, as well as former Grenada Junior Minister for Legal Affairs Tillman Thomas.

It was also decided that Caricare's secretariat would be based in St Vincent and the Grenadines for the time being.

BAHAMAS

OPPOSITION LEADER RESIGNS, REPLACEMENT ELECTED

FL252330 Bridgetown CANA in English 2311 GMT 25 Jun 87

[Text] Nassau, Bahamas, June 25, CANA -- Leader of the opposition Free National Movement (FNM), Kendall Isaacs, has resigned his post.

His deputy Cecil Wallace-Whitfield was elected unanimously to replace him.

Isaac's resignation followed the party's defeat in last Friday's general election.

Wallace-Whitfield, a 57-year-old lawyer, is a former chairman of the now ruling Progressive Liberal Party which he left after being minister of education and culture from 1968 to 1970.

The election of a new leader came last night. More than 100 of the 160-member central committee, the party's leading authority outside of the annual convention, voted for Wallace-Whitfield.

The PLP led by Sir Lynden Pindling won 31 of the 49 seats in parliament at the recent elections, with the FNM capturing 16 and independents two.

The FNM has accused the PLP of a massive fraud but PLP supporters have denied the allegations.

HAITI

SOLDIER FATALLY WOUNDED WHERE UNION MEMBERS JAILED

FL251619 Bonaire Trans World Radio in English 1130 GMT 25 Jun 87

[Text] The Government of Haiti has announced the dissolution of a union federation that launched a 48-hour general strike this past week. The army says gunmen fatally wounded a soldier outside barracks, where five members of the union were jailed. The three-man National Council of Government ordered the Autonomous Central of Haitian Workers [CATH] dissolved because the union federation had violated the basic principal of all unions, that is, to be essentially apolitical, according to a statement issued by the Ministry of Information and Coordination.

SLOWDOWN STRIKE AT POWER STATION PROTESTS FIRING

FL251620 Bonaire Trans World Radio in English 1130 GMT 25 Jun 87

[Text] Workers at Port-au-Prince's main power station went on a slowdown strike yesterday to demand the resignation of the general director of the state power company. Members of the union of Haitian Electricity Workers are protesting last week's firing of six union members, including its president and vice-president for alleged disrespect toward management and militancy.

FOREIGNERS BARRED FROM NATIONAL ELECTION BOARD

FL251621 Bonaire Trans World Radio in English 1130 GMT 25 Jun 87

[Text] The Government of Haiti has barred a Canadian and a U.S. national from sitting in on the National Election Board. The HAITI LIBERE newspaper reported yesterday that the National Governing council barred Reverend (Sem Marsay), an American, and Canadian (Ernest Verdu) from the 9-member provincial electoral council because they did not declare their nationalities at a May 21 swearing-in ceremony. The electoral council is to oversee municipal elections on August 23d and national elections in November.

TRINIDAD AND TOBAGO

RODRIGUEZ APPOINTED AS NEW POLICE COMMISSIONER

FL242106 Bridgetown CANA in English 1634 GMT 24 Jun 87

[Text] Port-of-Spain, Trinidad, June 24, CANA -- The Trinidad and Tobago Government today announced the appointment of 56-year-old Louis Rodriguez, a former policeman and member of a team that investigated the illegal drugs situation here, as police commissioner. Rodriguez, on a three-year contract, replaced Randolph Burroughs, who retired in March.

Rodriguez served in every division of the police service before he was appointed special adviser on national security matters in 1973. He was one of three members of a president-appointed commission which looked into the illegal drug situation here between 1984 and 1986.

Following publication of the report, which led to the suspension of 53 police officers and five magistrates, Rodriguez was appointed as special adviser to the new government on all matters arising from the report.

Rodriguez's appointment, announced by National Security Minister Selwyn Richardson, comes against a background of government-announced plans to intensify the fight against drug traffickers.

Former Police Commissioner Burroughs retired after successfully defending himself against drug-related charges triggered by the report on the local drugs situation.

BUSINESS LEADERS FAVOR EASIER CARICOM TRADE TERMS

FL162126 Bridgetown CANA in English 1912 GMT 16 Jun 87

[By Debra Ransome]

[Text] Port-of-Spain, Trinidad, June 16, CANA -- Trinidad and Tobago's promise to remove its controversial 12 per cent stamp duty on Caribbean Community (Caricom) imports has won the approval of the business community here, with business leaders underscoring the need for their neighbors to offer easier access to Port-of-Spain's manufacture.

Why should we be the good boy of the Caribbean once more and let everyone run on our goodwill? This is supposed to be a regional thing, head of the Trinidad and Tobago Chamber of Industry and Commerce Joe Pires told CANA. I think it's about time people were serious about regional co-operation. You can't have a one-way street in anything, Pires said.

The Trinidad and Tobago Government stipulated last weekend that the duty, removed for twelve months in the first instance, would be lifted only for those countries removing similar trade barriers.

It's a show of goodwill on behalf of the Trinidad and Tobago Government. We have to improve trade and we have to use the Caricom market as our domestic market and, when I say we, I mean all Caricom countries, Trinidad and Tobago Manufacturers Association (TTMA) President, Leslie Lucky-Samaroo, also told CANA.

Government sources said this week the reciprocal condition was a bid to ensure that the first of the Caricom trade barriers -- tariffs -- were removed by everyone rather than opening up Trinidad and Tobago's shrunken market without local exporters being given similar access to other Caricom countries.

Both the chamber and TTMA have been pushing governments here to remove the duty, also calling for similar moves by other Caricom countries.

Manufacturers here said they still believed that the stamp duty removal would mean that Trinidad and Tobago's Caricom partners would have to be extremely competitive to operate on this market.

They can't expect us to provide some 80 per cent of the Caricom market as we used to, one manufacturer said, commenting on reduced spending power here since the end of the 1970's oil boom days.

Pires, whose chamber represents both manufacturing and import, export interests, said the 1985 currency deevaluation and its effect on the relative labour costs here now meant that Trinidad and Tobago goods would be extremely competitive in the region in comparison with two years ago. He added that this country still needed to improve productivity to really take advantage of opening up of the Caricom market.

The steps to remove the stamp duty came two weeks before the Caricom heads of government summit in St Lucia that will look at trade and other problems.

The former government had cited the country's suddenly declined economic fortunes due to the fall in oil prices for its inability to abandon its import licensing regime. The new government had promised to look again at the system making no further commitments to remove its system of allocating foreign exchange for imports.

Central Bank sources said discussions were going on this week over its strict foreign exchange system which has even become more limited recently with even the local private sector complaining of more and more difficulty to get foreign exchange approval.

Junior Finance Minister Trevor Sudama yesterday said applications for foreign exchange by commercial banks had fallen by about half for the first four months of this year over the same period in 1986 due both to reduced demand and a stricter approach by the Central Bank.

We have got to move forward towards removing licensing restrictions on Caricom produce, Pires told CANA at the same time stating that he did not believe this could happen until the country was earning enough to cover its import requirements and its huge liabilities. It will take a little while, he said.

It is vital that the Central Bank adopt a liberal approach to our Caricom partners, Samaroo said reflecting concern expressed by regional manufacturers that the stamp duty step needed to [words indistinct].

Samaroo stressed, however, that any moves Trinidad and Tobago now takes would have to be in line with similar moves from the rest of the region. He cited the example of the Rules of Origin criteria allowing what he called advantages given to the lesser developed countries (LDCS). There has to be a commonality between all countries, Samaroo said.

SUMMARY OF FMLN APRIL-JUNE MILITARY ACTIVITIES

PA210435 (Clandestine) Radio Venceremos in Spanish to El Salvador 2300 GMT 19 Jun 87

[Text] Attention: The following is a summary of the FMLN's military activities covering 79 days in Morazan Department. Morazan, a department where heroism is an everyday affair.

When thousands of soldiers, supported by helicopters, bombers, and artillery, crossed the Torola River in 1980 to launch a huge counterinsurgency operation in the northern area of Morazan Department, the Christian Democratic dictatorship and the U.S. advisers had only one idea in mind: annihilate the revolutionary forces. Almost 7 years have gone by since that day. However, contrary to what the local and foreign soldiers thought, that operation was not to be the last. It was only the first of a long chain of frustrations for the dictatorship. During these 7 years of the national liberation war, Morazan Department has been the center of great and victorious battles for the people. The bodies of strategic commanders of the puppet Armed Forces and those of thousands of enemy soldiers have been laid to rest here in Morazan Department. Morazan Department has also been the grave for much military equipment destroyed during this war. Since 1980, the heroism of the revolutionary fighters in Morazan Department has become an everyday affair.

On 1 April 1987, a new counterinsurgency operation was launched. This was yet another desperate and strategic effort launched by the enemy command. However, on this occasion they were not so [word indistinct]. This time they did not come to annihilate, but, as General [Adolfo Onecifero] Blandon said, they came here to destabilize. In 79 days of fighting, from 1 April through 18 June, the victories are once again on the side of the army of the oppressed people. Six enemy battalions, the elite Bracamonte and Arce Battalions and four battalions of the Military Detachment No 4 -- the Morazan, Cacahuatique, Lenca, and [word indistinct] battalions -- have participated in this counterinsurgency operation. The enemy operation has received the support of the artillery, A-37 planes, C-47 planes, and dozens of helicopters.

From the day the counterinsurgency operation was launched, the FMLN forces began a guerrilla operation aimed at destroying the enemy's live forces. In 79 days of fighting our units have inflicted 402 enemy casualties; we repeat 402 casualties. The 402 casualties include 7 officers -- among them, a captain who commanded the Salvador Beltran Luna Battalion. During these 79 days our forces recovered many weapons and war materiel. Our forces downed a helicopter and another helicopter was badly damaged. The tactics used by the FMLN to bleed the puppet Army included planting mines on the roads being used by the enemy troops, ambushes, and hand-to-hand combat.

In 79 days of fighting, our forces carried out five successful hand-to-hand combats and a successful military maneuver against enemy units stationed in the area of Joateca.

In 1980 the enemy tried to annihilate us but they failed; in the past months they came to destabilize us but they also failed.

During these past 79 days Radio Venceremos has been on the air every day. Not one of its four daily casts has failed to go on the air. Not only were the plans againist the enemy operation properly coordinated, but we also successfully carried out a strategic operation against the San Francisco Gotera military headquarters and launched an attack on the Rio Seco bridge. The Salvadoran Beltran Luna Battalion commander was killed during this attack. These two attacks were within the framework of the FMLN's defense plans and within the framework of the FMLN's national military operation to get bread, work, justice, and [word indistinct] for our people. Our task to enlist new fighters was not affected by the counterinsurgency operation.

Despite the counterinsurgency operation, the FMLN general command persented proposal for the humanization of the conflict. This proposal was presented in Morazan Department. The local and international sectors, who are interested in a political solution to our problems, heard of our proposal.

Likewise, and following the orders of the FMLN general command, the whole country -- including the capital city and other cities -- were completely paralyzed. The call for a general transportation halt and the blows dealt by the FMLN were proof of the situation experienced by the puppet Armed Forces. These actions proved to everyone that they are useless.

The Armed Forces proclaimed the finding of a dozen new rifles as a great victory. They have even tried to make people believe these rifles were recovered in combat. During the past 70 days, the FMLN lost, in combat, a total of nine rifles. The weapons the Army claims to have found are nothing more than discarded war materiel. After 7 years of war, those weapons were discarded. Of the thousands upon thousands of rifles we have recovered from the Army in these past years, hundreds are now useless and cannot even be used to provide spare parts. Those were the weapons that were buried. The discovery of this garbage is what the Armed Forces High Command is presenting as its main victory.

We also report that during these 79 days of fighting in Morazan Department, new contingents of revolutionary fighters have been trained. This is part of the training plan implemented by our fronts. During these 79 days of fighting in Morazan Department, the FMLN has been able to defeat the counterinsurgency operation; it has defeated the destabilization plans with important defense operations. These victories required the effort and sacrifice of each and every fighter and comrade within the FMLN.

Likewise, we wish to inform our people that during these 79 days of fighting in Morazan Department -- 1 April through 18 June -- 24 comrades gave their lives for the homeland and the revolution. The number of new fighters has doubled the number of dead comrades. Weapon in hand, these fighters are the biggest tribute we can give to our fallen comrades.

In the future casts we will give you names of the 24 comrades who died during these 79 days of fighting.

Eternal glory to our fallen heroes! In the name of those dead men, our dead men, we swear that we will win!

NEW ARMY GENERAL STAFF NAMED; OFFICERS DISCHARGED

PA252002 Guatemala City Radio Television Guatemala in Spanish 0400 GMT 25 Jun 87

[Text] General Manuel Antonio Callejas has been appointed chief of the Army General Staff and two officers have been discharged in an apparent attempt to stave off an internal crisis in the military.

Defense Minister General Hector Alejandro Gramajo announced Callejas' appointment today but at the same time shrugged off the importance of the latest developments, which triggered the discharge of the two officers. In a communique issued this afternoon, the Army reported the discharge of Lieutenant Colonel (Cesar Francisco Najera Avendano) and Major (Gustavo Adolfo Villas Lopez). They are both charged with making repeated and obvious signs of disagreement with orders from the Army High Command and with having recently tried to sow discord and stir up unrest in the minds of other officers, compromising fellow militarymen, thus demonstrating their absolute lack of professionalism by violating the provisions of Army laws and regulations, the communique notes.

It is surmised from the next paragraphs [of the communique] that the discharged officers questioned the power of President Vinicio Cerezo, Army commanding general, to decide about the promotion of some of the colonels who will receive the rank of general on 30 June. The colonels to be promoted are: Deputy Defense Minister Arturo Guillermo de la Cruz; Air Force Commander Eduardo Wohlers; Honor Guard Commander (Juan Leonel Bolanos Chavez); and (Julio Cesar Roano Herrera), Commander of the Mobile Military Police.

It was unofficially learned this afternoon that besides the two officers discharged today, five others are reportedly about to be dismissed soon for the same reasons. Meanwhile, the deputy defense minister this morning confirmed Gen Callejas' appointment as chief of the Army General Staff to replace General Cesar Augosto Caceres Rojas.

[Begin recording] [De la Cruz] In fact, Gen Caceres will retire on 30 June and we have scheduled a ceremony like this one on the 4th at the Polytechnical School [Escuela Politecnica] with honors according to the rank he held in the Army. The president has ordered, and arrangements are being made, to publish only the presidential order appointing Gen Callejas as chief of the Army General Staff.

[Reporter] General, there have been reports of some disagreement in Army ranks with regard to the promotion to general of the four colonels because two of the colonels are supposedly being promoted because of a similarity in ideology with the Christian Democratic Party.

[De la Cruz] (?We regret that information). All of us who are subject to promotion, to a recognition, or to some employment are subject to criticism. However, I wish to tell you that the promotion (?stems) from strictly military merits and from strictly military considerations. We are supporting a government of a given party but not its followers. We are followers of the national policy, not of a partisan party. Therefore, any remark to this respect is slanted and unfounded. The four officers who are going to be promoted are proven military men with great experience. Above all, they were chosen in accordance with the purely military mechanisms in existence.

You probably realize that the Congress has nothing to do now with the promotion of officers. That is they way it is in the law. This does not belittle the Congress. This is intended to avoid any purely political interpretation of a purely military promotion. [end recording]

Gen Gramajo said there is no problem because of the appointment of the recently designated generals.

[Begin recording] [Gramajo] Our Army is a modern army and we have our personal criteria. However, our Army is also based on discipline and hierarchy and we obey orders.

[Reporter] Has no problem been detected at this time because of the promotion of these two colonels with the Army?

[Gramajo] No. No problem has arisen. If there were any problem I would be the person in charge of solving it. (?Then, there is no problem).

[Reporter] How could the problem be (?resolved)?

[Gramajo] Simply by enforcing the military law and regulations. The stability of the Army is one of the main bulwarks of the nation's stability. I have the responsibility of directing the process of military renovation and will carry this out no matter what [a como de lugar]. [end recording]

[Guatemala City Radio Nuevo Mundo Network in Spanish at 1200 GMT on 25 June in a similar report adds: "The Army High Command today agreed to the discharge of over 30 officers in the Army's middle ranks for legally opposing the promotion of four colonels to the rank of general, whose official installation will be on Tuesday, Army Day, in accordance with a decision of the Army commanding general."]

LOPEZ CONTRERAS ON GOVERNMENT'S REGIONAL POLICY

PA191601 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 18 Jun 87

[Report by Trino Murillo]

[Excerpts] Honduran Foreign Minister Carlos Lopez Contreras yesterday spoke to the Honduran Congress to discuss the government's foreign policy regarding the pacification of Central America. He explained the way in which the Arias plan is drawn up on the basis of the proposals and policies of the Central American governments. [passage omitted]

Near the end of his statement to the deputies yesterday afternoon, Lopez Contreras said:

[Begin recording] The Guatemalan president met with the Honduran president in Tegucigalpa. At the end of the meeting, President Cerezo said the presidents' meeting in Guatemala would have to be held in the first half of August as a result of the consultations with the other Central American governments. Meanwhile, the five Central American foreign ministers will meet in El Salvador, Nicaragua, and Honduras in successive meetings to undertake the necessary preparations to ensure the success of the summit meeting. At this time, the five foreign ministries are carrying out the appropriate consultations to decide the dates and places where Messrs Deputies, at this time I would like to express some final thoughts. [end recording]

At this point, Foreign Minister Lopez Contreras told the deputies that he could not detail the position Honduras will present at the Guatemalan summit. Nevertheless, he made some general comments about the position of the Azcona government. [passage omitted]

[Begin recording] I repeat that the remarks will be of a general nature because I cannot present in detail the proposals the Honduran Government will take to the multilateral negotiations table regarding the Arias' proposal. However, I can give you some idea.

First, Honduras supports the Arias plan as an initiative that can effectively lead toward finding a negotiated solution to the Central American crisis.

Second, in the near future, Honduras will undertake the necessary efforts to achieve the following objectives: First, in the countries where there are armed struggles, there should be an internal dialogue with the aim to achieve agreements on amnesty, cease-fire, and democratization with all the characteristics that make possible the free exercise of public and individual rights -- in other words, freedom and inviolability: freedom of circulation, movement, assembly, association, unionization, worship, speech, and expression of thought; protection of minorities; inviolability of homes; and inviolability and freedom of communications. This also means the right to universal, free, direct, and secret suffrage; ideological pluralism; a multiparty system, and other guarantees and rights that are essential in a democratic system.

Lastly, there should be integration of the adequate mechanisms to verify and control the internal agreements. There should also be a resumption of an inter-Central American dialogue under the sponsorship of the Contadora Group to achieve agreements on: a stop to Nicaragua's political-military alignment with the Soviet bloc; limits on armaments and military troops and foreign advisers, their reduction and control; arms traffic, nonuse of territory by insurgents or irregulars, their disarmament and relocation; suspension of military aid to insurgents or irregulars; verification and control of the international agreements that are reached; and political, economic, and security cooperation among the five Central American governments.

Mr President, Messrs Deputies: The government of President Azcona, as an (?elected) and democratic president, is determined to carry out these efforts successfully, in accordance with the institutions, constitution, and laws of the Republic -- with the objective of achieving a lasting peace in Central America not only among the states of the region but inside each of the countries, so Central America will become a [word indistinct] region, a zone of development that will permit investment, the creation of jobs, and the improvement of the standards of living of our people. [end recording]

STUDENTS OUST SOLDIERS, REOCCUPY SCHOOL

PA242207 Panama City ACAN in Spanish 1902 GMT 23 Jun 87

[Text] Tegucigalpa, 23 Jun (ACAN-EFE) -- Some 400 students of the "Francisco J. Mejia" Institute in Olanchito on the Honduran Atlantic coast, last night dislodged 12 soldiers, who were guarding the institution.

The soldiers took over the school buildings 2 weeks ago, dislodging students who had been occupying the school the previous month in a protest against irregularities, which they blamed on professors. The students also made a poster insulting the teachers and inciting a total rebellion in the institute.

The "Francisco J. Mejia" Institute students are supported by other institutes in Olanchito and Tegucigalpa. It is feared the solidarity will reach other schools in the country.

To resolve the problem, the Education Ministry suspended classes for grades 10, 11, and 12 in the school of business [secondary school level] for the entire year, because the leaders of the student movement attend those classes. The Education Ministry decision last night prompted the reoccupation of the institute by students. The ousted soldiers did not use their weapons.

The attitude the education authorities will adopt concerning the occupation is unknown. The students are currently demanding a solution to their problems and the reopening of the suspended grades.

U.S. HOUSE COMMITTEE VOTE ON F-5'S DISCUSSED

PA100523 Tegucigalpa EL HERALDO in Spanish 6 Jun 87 p 9

[Editorial: "A Gesture of Democracy"]

[Text] President Reagan is now fully empowered to honor his promise to deliver a squad of 12 planes, including combat and training devices, to the Honduran Air Force (FAH) according to the program for military assistance in force between the two nations.

As we reported in yesterday's edition, a subcommittee of the House of Representatives reached a tie vote on a bill that was intended to thwart that military operation. The vote gives President Reagan the possibility of approving the bill, ruling out subsequent debates in committees or the full House intended to stop the sale.

The result of these discussions in the U.S. Congress is undoubtedly a clear political statement that Central American democracies will have unqualified support for their political systems and the defense of these political systems, no matter who is pulling the strings of U.S. power, whether it be the Democratic or Republican Party.

Another aspect of the matter involves the fact that Honduras continues to be a focus of concern in the realm of U.S. decisions. It is clear that an opposite result of the voting would have caused in the Honduran Armed Forces, the rest of the government administration, and the country's democratic sectors strong and profound uneasiness, which sooner or later would have left a bitter aftertaste in the mouth of the northern power.

No one can argue against the legitimate pride that exists in the Honduras Armed Forces, which knows that the FAH will be properly prepared and equipped, and capable easily facing the challenges inherent in defending the national interests and protecting the weak national political structures.

This is why the Honduran military forces must see in this action a renewed gesture of friendship on the part of the U.S. congressmen and certainly an expression of solidarity with Honduran positions in the overall framework of Central American politics, at a time when the U.S. image is suffering because of the embarrassing and deplorable developments derived from the Iran-contra affair. That affair has created a thick cloud that confuses Central American public opinion to the extent that it has created serious doubts about the role of the United States as a world democratic power.

Certainly, for many Hondurans, the name of Congressman Stephen Solarz of the Democratic Party will bring plesant memories because of the depth of undertanding he showed in adopting a position of solidarity with the most heartfelt and patriotic of Honduran sentiments. In addition to this, it is certan that Solarz took into account the inevitable dangers Honduras must face in the framework of the regional political fire.

Undoubtedly, the famous "F-5" U.S. planes assented to Honduras, costing $75 million, will allow our country to attempt to establish a military balance in the Central American region.

This political and military aspiration was urgent for all practical purposes when comparing our military capacity with the rest of Central America's, particularly with the Sandinist military forces.

From the time of the preparations in 1979 until the belligerent phase of the consolidation of Sandinism's hard-line Marxism, the ranks of the military and its growing paramilitary organizations (militias, police, and revolutionary committees) have gradually become a serious threat to Nicaragua's neighbors in the isthmus, particularly to Honduras, which from being a passageway for the Marxist guerrillas and their military supplies, became a military and political target.

The trials Honduras has had to face to make itself heard in the international community, in demand of its sovereign rights, have yet to obtain in sectors of world public opinion a positive reaction that will lead to an appropriate understanding both of the Central American phenomenon and the stabilizing role that the Hondurans have played.

However, the strengthening and modernization of our Armed Forces places us in a position to defend our territorial sovereignty and guarantee democracy as a political system of public freedoms amid the war movements that Marxist armies operate in the region, and in view of what Sandinist Nicaragua represents with the power of its land forces.

No well-informed Honduran can make criticisms at home that undermine Honduras' right to arm itself to defend its historic future as a democratic state amid warthirsty hatreds that consume the energy of Central Americans. Because we are in the midst of these lethal fires shaking the fatherland, we face the unavoidable obligation of being guarantors of republican and democratic institutions, without abandoning our traditionally peaceful position.

GOVERNMENT REQUESTS 150,000 TEMPORARY U.S. VISAS

PA191652 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 18 Jun 87

[Excerpts] The United States has an excellent opportunity to show that it supports Honduras by approving 150,000 visas for temporary Honduran workers. Taking advantage of the U.S. program to import temporary labor, the Honduran Government has requested approval of 150,000 visas allowing Honduran farm workers to go to the United States. [passage omitted]

The minimum salary those selected to work in the United States will earn is $900 per month. For the country exporting labor -- in this case, Honduras -- the U.S. plan has unique advantages that must be stressed to understand correctly the benefit the Reagan administration could bestow on Honduras. If 150,000 Honduran farm workers enroll in the program, and each person sends back to Honduras one-fourth of their earnings -- that is $250 -- foreign exchange revenues from this activity will total millions of dollars. [passage omitted]

The foreign exchange revenue obtained from the monthly remittances by the temporary workers would be an ideal way for the United States to help consolidate truly and directly the Honduran financial system by strengthening our currency and allowing the economy to grow without resorting to more international credit. [passage omitted]

Working in Honduras' favor are the solid political support and other kinds of support they have given and continue to give the U.S. Government in Central America. We have been called the closest U.S. ally in the region. Our friends to the north must validate this claim by taking actions that are in line with the friendship and mutual support between the two countries.

We know that Honduras is an ally and friend of the United States. Now it remains to be seen -- through the approval of the 150,000 visas the Honduran Government has requested -- how good a friend of Honduras the United States is. [passage omitted]

PRESIDENT ORTEGA REVIEWS FSLN DEVELOPMENT

PA202240 Managua BARRICADA in Spanish 14 Jun 87 pp 3, 4

[Speech by President Daniel Ortega Saavedra, coordinator of the Executive Committee of the FSLN National Directorate, at the Fernando Gordillo Auditorium of the National Autonomous University of Nicaragua, in Managua, on 13 June]

[Text] The triumph of the revolution in Nicaragua has awakened interest concerning the nature of Sandinism as a true and authentic revolutionary expression.

Until 4 May 1927, the workers in Nicaragua had no ideological instrument that could serve as a link to join the two great popular struggles: anticolonialism and anti-imperialism.

The capitalistic ideology had been imposed as the sole option, despite the people's heroism and fighting spirit. The green flag and the red flag; Timbucos and Calandracas; Conservatives and Liberals -- Siamese twins, nourished by the same cardiovascular source which attempted to perpetuate a process of revitalization using the same methods as those used by the count from Transylvania. [sentence as published]

The story of Count Dracula is the same story of the exploitation of man by man. Slavery, feudalism, capitalism, imperialism -- all of them prolonging their existence at the expense of the workers' blood.

The vampires had also taken over Nicaragua, at a time when no adequate weapon to exterminate them had yet been devised, until Marx and Engles discovered the formula, and Lenin efficiently directed its appplication, to drive the stake into the monster's heart.

Just as Michelangelo delved deeply into the anatomy of the human being to be able to execute his masterpieces, Marx and Engels delved deeply into the social phenomena that had taken place since the dawn of humanity to come up with the masterpiece that would supply the workers with the ideological instrument their class instinct demanded.

Marx and Engels believed that the laws of social change they had just discovered should be applied in the most developed capitalist countries, where the proletariat was expanding with the speed imparted by industrialization. It was in Germany, they thought, or in England, where the onslaught should take place.

Marxism, however, despite its founder's predictions, was in Lenin's hands the beacon which led the Russion people to rid themselves forever of the scourge of the tsars.

The Nicaraguan people's struggle is linked to the struggle for emancipation the peoples of the world and particularly the Latin American people have been waging. Bolivar, Marti, Hidalgo, Morelos, Zapata, and Villa are the legacy of Latin America and all humanity,

Sandino was informed of and nourished by the heroic history of indigenous America.

Sandino had a knowledge of revolutionary ideology, he was not ignorant of Marxism, and spoke respectfully of the Great October Revolution.

Sandino did not at any time intend to create an ideology. His actions came in response to very specific objectives: to expel the invaders, promote social change for the benefit of the laborers and peasants, and to achieve these goals he provided the workers with a vanguard detachment, the Army for the Defense of National Sovereignty [Ejercito Defensor de la Soberania Nacional]

The development of revolutionary thought, which he came to know well as a result of having joined the Mexican labor movement, gave Sandino the minimum theoretical support to correctly carry out a plan of action that synthesized the Nicaraguan people's struggle, giving it coherence and continuity. In an intuitive and instinctive manner, Sandino combined the military resistance, whose objective was to expel the Yankees, with a political program.

Thus, the Indian resistance against Spanish colonialism; the National War gainst Walker during the middle of the past century; the heroic battles of the Nicaraguan patriots who, led by Zeledon, fought against the Yankee occupation troops in 1912; the protests by the mineral workers, lumber cutters and shoemakers; the efforts to organize made by workers of the Nicaraguan Labor Federation and the Nicaraguan Patriotic Union, which were inclined toward antiimperialism, all ceased to be isolated cases and became part of a whole that would eventually become Sandinism.

Sandinism was the highest level of organization the Nicaraguan people had ever achieved, thanks to the genius, audacity, and combativeness of General Sandino. Sandino was assassinated, but Sandinism was preserved and reemerged with Carlos Fonseca who, raising the red and black flag, founded the FSLN, resuming and enriching the basic postulates of the program that Sandino left us. Sandinism is our own expression; it has worked revolutionary ideology into Nicaragua's reality in a creative manner.

Just as Lenin took possession of Marxism in a creative manner and led the October Revolution to victory, Sandino and Carlos Fonseca, without restricting themselves to any plan whatsoever, were the decisive links in the triumph of the Sandinist People's Revolution, due to their creative use of scientific revolutionary thought, and their ability to take into account the experiences of other countries in the world.

The following factors came together to make victory possible:

The founding, strengthening, and development of the FSLN as a vanguard for the workers both in the rural areas and in the cities, and for the broadest progressive and anti-imperialist sectors of our population.

The Front as a representative of and as a cohesive element for the class interests of the dispossessed and exploited masses.

The Front as the defender of self-determination, independence, and national sovereignty.

The Front, determining that armed struggle was the only road to revolutionary power.

The Front as a homogeneous group, from an ideological point of view, with leaders and cadres following Marxist guidelines and with Sandinism as the proper expression of the Nicaraguan reality.

The Front with an ample policy, in order to join the various political parties and economic sectors in the common struggle to overthrow the Somozist dictatorship.

The Front, making a place for itself on the international scene, by virtue of a political action with a profound Latin Americanist content, which led directly to receiving support from leaders and rulers such as Omar Torrijos from Panama, Fidel Castro from Cuba, Carlos Andres Perez from Venezuela, Jose Lopez Portillo from Mexico, and Rodrigo Carazo from Costa Rica.

With this Latin American support, which is the expression of a new attitude that tends to do away with the submission of the Latin American countries to U.S. policies, the solidarity with the Nicaraguan people's struggle has expanded and multiplied in the United States and in Canada, Europe, the Soviet Union, the community of socialist countries, and other nations, parties, and liberation movements throughout the world.

The FSLN had to overcome its own problems, the most acute manifestation of which came in 1975 and lasted until October 1977. This was a period of division into factions who argued over strategy and revolutionary tactics.

In 1975, at National Directorate meetings headed by Carlos Fonseca, the issue of the insurrection of the masses was ratified as the climax of the revolutionary effort, which was carried out in a wide variety of ways, such as the consolidation of a political-military nucleus which gradually incorporated the peasants and farm workers, industrial and construction workers, high school and university students, artists, intellectuals, technicians, progressive professionals, teachers, journalists, clergy, and workers from various fields of production and services.

At these same meetings it was approved that, to the extent that the FSLN was strengthened and the pro-imperialist bourgeoisie's political options weakened after the Aguero-Somoza pact, we would be in a better situation to promote and influence a policy of alliances which, at that point in time, could no longer threaten the revolution's strategic interests.

Under these circumstances, the imperialists tried to reactivate the political parties, some of the top leaders of the Catholic Church, businessmen and unions, with the intention of forming its own option which, after Somoza was removed, would be built upon the economic and military structure of the same Somozist regime. This political plan would be complemented by aggressive repression aimed at annihilating the bases the Sandinist front had developed in the city and the countryside.

It is under these conditions that in October 1977 the FSLN moved into a phase of attacks on Somozist headquarters in the cities, and the formation of a guerrilla front in the northern part of the country, the "Carlos Fonseca" Northern Front, which with its permanent political-military activity would gradually exert considerable influence in the departments of Nueva Segovia, Somoto, and Esteli. This offensive would be accompanied by the mobilization of the masses around the Group of Twelve.

The guerrilla columns that had been organized at the mountain centers as the "Pablo Ubeda" brigade, survived the Somozist guards' offensives and played a political and moral role, participating in the formation of the cadres that came to form part of and to strengthen other combat fronts as of October 1977.

The offensive initiated in October 1977, the murder of Pedro Joaquin Chamorro in January 1978, the offensive in February 1978, the Monimbo insurretion and the September insurrection of the same year, were determining factors in the dynamics of the armed revolutionary struggle to overcome the internal problems and develop a reunification process so that for the final offensive which was decided in June 1979, the unity of the FSLN was a reality.

Imperialism made a last effort to neutralize the revolutionary victory during the 17th OAS Conference in Venezuela in June, where it sought Latin American support to militarily intervene in Nicaragua, as it had done in the Dominican Republic in 1965. The proposal was rejected by the Latin American countries which, for the first time within the OAS, did not agree to serve as tools of Yankee intervention.

While the United States pressured for an intervention, in Venezuela, Catholic Church leaders, leaders from the traditional political parties, businessmen and leaders from political parties that called themselves and still call themselves "communists," and "Marxist-Leninists," were gathering. Undermining the heroism and decisiveness of the Nicaraguan people's struggle and the FSLN's capabilities as the people's leader, they believed the revolutionary triumph was not possible and were preparing to be the instruments of a change over to Somozism without Somoza, which, up until the last moment, the U.S. leaders tried to put into effect. It was under these circumstances that the Sandinist people's revolution triumphed and the revolutionary program was initiated.

We, the Sandinists, had decided to incorporate persons who would represent the Nicaraguan bourgeoisie in the Government Junta, with the intention of bringing together all of the social, political, economic, and religious forces in the national reconstruction process, so that in a patriotic spirit they would be willing to support the revolutionary program.

The revolution found itself with a damaged physical and social infrastructure in the farming, industrial, trade, health, and education sectors, in which the minimum estimated damages were established at $520.3 million

Decapitalization and embezzlement totaled $662 million.

Unending profiteering, because of economic inactivity, was up to $1,246,800,00.

The foreign debt, which had reached $1.65 billion, had served to increase Somoza's wealth and that of people close to him through embezzlement and fraud.

The GNP dropped by 26 percent.

The number of head of cattle was drastically lowered and the production of cotton dropped severely.

Only $3 million, which Somoza and his henchmen did not have the time to spirit away, was found in the Central Bank vault.

Under these dramatic circumstances, it was proper to bring together the working people, the state, private producers, the cooperatives, and the international community as economic factors in the structure of a new economy. All this would serve as the basis of structure transformations which so far had been in the service of the capitalist system for a minority's profit. In addition, it is urgent to meet social demands. The structural transformations had to be based on our own reality and, therefore, on a model in agreement with the specific characteristics of our economy, the historic objectives of the revolution, and the need for economic and social development.

The confiscation of the property of Somoza and his accomplices; the nationalization of banks and foreign trade; the agrarian reform; the activation of new investments; the expansion of health and educational services; literacy campaigns; health drives for the good of the people; the organization of the people's power into trade unions, defense committees, and various guilds and associations; the workers' access to the communications media, and the formation of a new Army and the Ministry of the Interior became the great tasks the FSLN undertook as of July 1979.

As the political willingness of the revolution gradually became reality, the disagreements with the members of the bourgeoisie, who resisted the application of the government platform as members of the Government Junta, became more serious. This finally led to the resignation of these people.

During this period, we also had to cope with the far leftists. With their characteristic inconsistence, they sometimes agreed with the postures of the rightists and sometimes -- in hesitation regarding the imperialist threat -- provoked discussions and made absurd demands in a struggle that again revealed them as opportunists.

That brief period ended with the victory in the United States of the Republican Party which, with a definite political platform, seized power in January 1981, convinced of the need to destroy the Nicaraguan revolution. The aggressive and terrorist policy of the U.S. Government was intensified in the subsequent years. That policy increased tensions politically, economically, and socially, as well as in the relations with certain Catholic Church leaders and the owners of the newspapers LA PRENSA who, in an increasingly open way, became hirelings and instruments of the U.S. interventionist policy.

Nevertheless, we have continued to constantly strengthen our policies of nonalignment in international relations, political pluralism, and the mixed economic system, even of holding elections and the discussion and approval of the constitution while at war. In this way, the institutionalization of the revolutionary process has been strengthened, both domestically and abroad.

We must meditate about all this and increase our knowledge and analysis of the revolutionary process to better fight the ideological battle demanded by the current circumstances.

The war imposed by imperialism has another cost for the revolution. It is a cost that has many and incalculable proportions. It is not only limited to the more than 42,000 victims who suffered the direct impact of the aggression, the 245,000 people displaced by the war or the $2,825 billion in losses suffered by our economy.

We must also add the effects of this war on the future technical and scientific development and, consequently, the country's economic and social development. This war results in the mobilization of thousands of youths who are attending high school, technical schools, and universities. These youths have to be mobilized for the country's military defense and this is increasingly hurting Nicaraguan society.

The ideological and political struggle, as well as the propaganda campaign must be carried out in two directions:

- Against the rightist forces who are trying to blame the FSLN and the revolutionary government for the various problems the country is facing and,

- Against the ultraleftist groups who, with their demagogic speeches and their false revolutionary language, are becoming accomplices of foreign aggression.

Both ideologies are, after all, sowers of confusion and destabilization, and this objectively favors the interventionst policy of the United States, which invests resources and makes extraordinary efforts to expand an internal political front that, complemented by the actions of the mercenary bands, will create the optimum conditions for an invasion by Yankee troops.

The economic problems the country is facing as a result of the war and the international economic and commercial crisis impose a burden on Nicaraguan workers.

In the meetings we have been currently holding with various sectors of the Revolution, the organized rank and file of the city and rural workers, the CST [Sandinist Central Organization of Workers] and the ATC [Farm Workers Association], are those who better understand and defend the implementation of the various policies and measures of the revolution.

The disorderly, anarchic, and confusing influence the rightist or ultraleftist unions have on the Nicaraguan workers keeps decreasing constantly.

The students of high schools, technical schools, and universities are privileged under these circumstances.

The high schools, universities, and technical schools are operating thanks to the blood and sweat of the EPS and Interior Ministry [MINT] fighters and to the devotion, discipline and productivity of the city and rural workers.

They have been increasing productivity and the hours they work amid great sacrifices and difficulties. Similarly, all the students must act in line with the fighters' heroism, firmness, and persistence and the workers' productivity.

There is no room for demagogic and demanding speeches. They foment opportunism, indiscipline, and low academic performance, and nurture attitudes that are typical of the petit bourgeoisie.

Without going to extremes and acting with due responsibility, just as we demand coherence, unity, and discipline and the people's soldiers to consolidate the strategic defeat of the mercenary forces and prepare ourselves to face, resist, and defeat a possible intervention by U.S. troops; and just as we demand unity and cohesion from the economic, governmental, social, and productive sectors, we must also demand coherence, unity, and discipline from the student, but more firmly because of their privileged condition.

No one has the right to make mistakes in these historic moments our homeland is experiencing. The first great task we must all undertake is the defense of the revolution in the military and productive spheres. That defense demands that if the situation demands it, the students must be willing to leave the classrooms to grab a rifle or support the production tasks.

The EPS and MINT fighters and the Nicaraguan workers are making great sacrifices to maintain the education infrastructure and pay the teachers so 28,000 youths can continue their higher education.

In view of this, the awareness of the students and professors should be on part with that of the peasant who tills the soil in the war zone and that of the worker who moves production ahead despite transportation and housing problems and limitations in his work due to the lack of raw materials, supplies, and spare parts.

The awareness of the student's and professors must be in line with that of Sandino's Cubs who, as members of the battalions for unconventional warfare, are now active in our mountains, willing to sleep poorly out in the rain, climb mountains, and walk across swamps, always optimistic, happy, firm, and willing to give their lives to defend the revolutionary power.

The awareness of the students and professors must be increased by the example of our heroes and martyrs, Andres Castro, Rigoberto, Carlos, Ricardo Morales, Julio Buitrago, Casimiro Sotelo, and Leonel Rugama who, by giving up their lives, gave the Nicaraguan people the historical opportunity to build and defend a more just, freer, and democratic society; a society of free men, as Sandino dreamt.

Managua, 13 Jun 1987

ORTEGA URGES REAGAN TO ACCEPT PEACEFUL SOLUTION

PA251458 Managua Radio Sandino in Spanish 1225 GMT 25 Jun 87

["Part" of news conference by President Daniel Ortega at Panama City's Atlapa Convention Center on 24 June -- recorded]

[Excerpt] [Passage omitted] [Serrano] Mr President, David Serrano, Radio America, Panama. You have said the United States has hindered peace in Central America. Briefly, what recommendation would you give the Contadora and Support Groups to achieve peace in Central America.?

[Ortega] The Contadora and Support Groups will have to [words indistinct], and the Central American governments, with the support of Latin America, will reach specific agreements for peace. This Latin American effort -- the effort of the Contadora Group, Support Group, and the determination of the Central American leaders, will prove to President Reagan that it would be good and just that he change (?his policy). I do not feel it would be a defeat for President Reagan if he corrects his policy. I feel it would be a victory for President Reagan if he were to correct his policy and accept a peaceful solution and the peacemaking efforts of the Contadora Group instead of rejecting peace proposals as he did recently when he met with President Oscar Arias.

D'Escoto Says U.S. Opposes Plan

LD191322 Hamburg DPA in German 1233 GMT 19 Jun 87

[Text] Frankfurt, (DPA) The Nicaraguan foreign minister, Miguel D'Escoto, has expressed his pessimism about the possibility of the peace conference of Central American Presidents taking place. The Catholic priest told journalists in Frankfrut that the U.S. Administration of Ronald Reagan has decided against the peace conference. It is thereby also opposing the Contadora initiative and the peace plan submitted by Costa Rican President Oscar Arias. D'Escoto took part in the Latin America Forum, at the invitation of the 22d Evangelical Church Conference, on Friday.

The peace conference was to have taken place in Guatemala on 24 June to assess the Arias plan but was postponed at the request of El Salvador. In D'Escoto's view the U.S. Central America representative, Philip Habib, persuaded El Salvador's President Napoleon Duarte to postpone the conference for "unclear reasons". This reduced the possibility of a peace agreement between the Central American presidents. The only chance of peace in Central America is the Contadora initiative, said D'Escoto, who on Vatican instructions is not allowed to practice as a priest while he is a minister.

CONTRAS CLAIM 192 EPS CASUALTIES 'IN RECENT DAYS'

PA120017 Buenos Aires REUTER in Spanish 2241 GMT 11 Jun 87

[Text] Tegucigalpa, 11 Jun (REUTER) -- Today, Nicaraguan contra rebels announced that in recent days they have caused 192 government troops casualties and blocked two roads in the country's interior.

The U.S.-backed Nicaraguan Resistance, the largest Nicaraguan rebel organization, is based in Honduras. According to its announcement, most of the casualties resulted in recent clashes in central Nicaragua. It did not say how many of the casualties were dead and how many wounded.

The statement said the rebels closed a road in the central Province of Matagalpa for 12 hours on 7 June and destroyed a big government truck. The rebels also said they closed for a brief period a road in the southern region of Chontales.

A Nicaraguan military commander said yesterday that his troops killed 92 contras and seized a great deal of war materiel during a 2-week offensive in southeast Nicaragua.

CONTRA ACTION LEAVES SEGOVIA AREA WITHOUT POWER

PA181312 Managua BARRICADA in Spanish 13 Jun 87 p 2

[Report by Martha Marina Gonzalez]

[Excerpt] Esteli -- All of the people of the Segovia region are angry about the criminal attack terrorist mercenaries staged early yesterday morning when they blew up a 138,000 kw tower west of this city, leaving Esteli, Condega, Pueblo Nuevo, Madriz Department, and Nueva Segovia Department without electricity.

Workers of the Nicaraguan Energy Institute (INE) arrived at the site hours later to repair the damage. They were accompanied by a transmission brigade [brigada de transmision] that arrived from Managua. They are attempting to restore electrical service as soon as possible. [passage omitted]

60 CONTRAS JOIN AMNESTY LAW IN REGION 6

PA222250 Managua Radio Sandino in Spanish 1930 GMT 22 Jun 87

[Report by Luis Aleman from Matagalpa]

[Text] Sources of the Nicaraguan Interior Ministry in Region 6 have reported that 60 counterrevolutionaries have deserted the ranks of the mercenary army during the last few days.

The desertion of the contras, who surrendered to the authorities with their military equipment and joined the amnesty law promoted by the revolutionary government, took place 2 days ago and is part of the strategic defeat of the counterrevolution, which in addition to the desertions, is losing influence on that region's peasants.

According to the Interior Ministry sources, the deserters come from various forested areas in Matagalpa and Jinotega Departments, where the EPS is dealing harsh blows on the mercenary bands.

GOVERNMENT TO NEGOTIATE NEW OIL SOURCES

PA260316 Hamburg DPA in Spanish 0146 GMT 26 Jun 87

[Text] Managua, 25 Jun (DPA) -- Nicaraguan Vice President Sergio Ramirez today announced that Nicaragua will negotiate with European and Mediterranean countries for "new sources of oil" for his country during a tour he will initiate in the next few days.

According to Ramirez' remarks, broadcast by the official radio station Radio Sandino, he will visit Algiers, Yugoslavia, Cyprus, Greece, and Iraq. However, he did not say when he would leave on his mission abroad.

The Nicaraguan Government plans to receive 745,000 tons of oil and by-products this year. If achieved, this figure would represent an increase of about 15 percent above last year's.

Otto Shaeffer, director of the enterprise Petronic, recently reported that Nicaragua has so far this year ensured the supply of 40 percent of its crude oil requirements. He reported that the government will build new storage tanks for oil by-products. In this way, the storage capacity will increase from 1,594,000 barrels to 2,171,300 barrels.

Nicaragua's current yearly crude oil consumption is 765,000 tons. Recently, the government decreed a 0.5-percent fuel saving, which represents 11,000 monthly barrels.

Until May 1985, both Mexico and Venezuela each supplied an average of 7,500 barrels a day of oil to Nicaragua. Later, however, the Nicaraguan Government reported to the two nations that it was not in a position to meet the requirements of the San Jose accord.

Nicaragua imported 4,368,000 barrels of crude oil and by-products in 1984, 4,814,000 barrels in 1985, and 5,450 barrels in 1986. The country expects to import about 6,200,000 barrels this year.

Ramirez recently visited several socialist countries, where he discussed topics related to the supply of oil for Nicaragua.

A Soviet cargo ship with more than 170,000 barrels of oil by-products arrived in a Nicaraguan port on the Pacific coast on 22 June.

VICE PRESIDENT RAMIREZ VISITS POLAND, GDR

For coverage of the visit to Poland and the GDR by Vice President Sergio Ramirez Mercado, see the Poland and German Democratic Republic sections of the 18 June East Europe DAILY REPORT and subsequent issues.

BRIEFS

DELEGATIONS VISIT NORTH AFRICA -- Comrades Jose Pasos, deputy chief of the FSLN International Relations Department, and Silvio Prado, chief of the Africa section of that same department, visited Libya, Algeria, and the Saharan Democratic Arab Republic (SDAR) from 29 May through 9 June. The FSLN officials discussed reciprocal cooperation programs as well as economic assistance. In Libya, they discussed economic cooperation and established relations with the People's Committees. Delegations from the 19 July Sandinist Youth, the Luisa Amanda Espinoza Association of Nicaraguan Women, and the National Union of Farmers and Cattlemen will conduct an exchange program with Algeria. They also discussed resuming Algerian trade and economic assistance for Nicaragua. The SDAR demanded international support for its struggle and requested that the Nicaraguan Government provide medical assistance, teachers, and scholarships. [Summary] [Managua BARRICADA in Spanish 18 Jun 87 p 5 PA]

INTERIOR MINISTER TROCCOLI COMENTS ON BOMBINGS

PY251244 Buenos Aires TELAM in Spanish 0209 GMT 25 Jun 87

[Excerpts] Buenos Aires 25 Jun (TELAM) -- Interior Minister Antonio Troccoli said tonight the bombings of Radical Civic Union buildings seek to disturb the citizens, in light of the social reaction resulting from the court ruling declaring the Due Obedience Law constitutional.

As to the ideological leanings of those responsible, Troccoli said that the extreme right seems to be involved. However, he emphasized the fact that trotyl, a highly destructive explosive that is not readily obtainable, was not used this time.

Troccoli made these remarks after lecturing at the Argentine Association of Engineers on the geopolitical objectives of moving the federal capital. [passage omitted]

He stated it seems the extreme right is responsible for the attacks and stressed we have both extremes under surveillance because they both oppose democracy and therefore love violence.

We are not able to state definitely that the extreme right is responsible for the attacks, Troccoli added. There are some signs that trotyl, which is a highly destructive explosive and is not readily available, was not used. For example, in Mendoza they used black powder; a product available to anyone.

He also reported that a broad security operation has been implemented to protect objectives such as government institutions and political party premises. He concluded by announcing that in depth investigations will be conducted in order to identify the perpetrators of the attacks.

ARMY MEETING ON DUE OBEDIENCE, MODERNIZATION

PY251855 Buenos Aires Domestic Service in Spanish 1600 GMT 25 Jun 87

[Text] Top-ranking Army officers are analyzing the due obedience issue. Among other instructions, Army Chief of Staff General Jose Caridi has ordered his subordinates to expedite the Army modernization process, in order to improve Army readiness for combat with more efficient and modern weapons.

Caridi voiced his opinion on the subject during the 1st day of a meeting of top-ranking Army commanders. The meeting is due to end at noon tomorrow with a luncheon that will be attended by Defense Minister Horacio Jaunarena and key Defense Ministry officials, who will once again analyze legal issues, the budget, and the Army modernization process. The Army meeting, which is being attended by all the Generals and Colonels on active duty in the country, and by the colonels who were promoted to general yesterday, began at the Libertador Building today.

Among other major Army topics, the officers have analyzed the repercussions of the enforcement of the Due Obedience Law, and the situation of several high-ranking officers who participated in the Holy Week events and who are standing trial in civilian or military courts, like Major Ernesto Barreiro and Lieutenant Colonel Aldo Rico.

FORMER REBEL ARMY MAJOR BARREIRO RELEASED

PY250241 Buenos Aires TELAM in Spanish 0101 GMT 25 Jun 87

[Text] Buenos Aires, 24 Jun (TELAM) -- Former Major Ernesto Barreiro was released today by virtue of the Due Obedience Law. By refusing to appear in court to be interrogated in case involving human rights violations, Barriero started an uprising during the Holy Week at an Army Garrison in Cordoba.

Barreiro was being held under arrest at the Logistical Support Unit based in Palermo after refusing to appear before the Cordoba Federal Court of Appeals to be interrogated in the case of Fermin Rivero and others.

After being notified of his release, Barriero left the Logistical Support Unit early tonight, reliable Army sources have reported.

Barriero had been administratively discharged for refusing to appear before the Cordoba Federal Court of Appeals on 16 April to be interrogated in the case of Fermin Rivera. Lieutenant Colonel Pedro Quiroga and Captains Eduardo Mones Ruiz and Adolfo Alsina were also indicted in this case.

Charges against Barreiro were dropped in this case by virtue of the Due Obedience Law.

Regarding the Cordoba rebellion, Federal Judge Miguel Becerra Ferrer has reported that Barreiro is just a witness in the case because no formal charge has been filed against him.

AGREEMENT REACHED WITH BANKS ON PART OF DEBT

PY2510806 Buenos Aires TELAM in Spanish 0051 GMT 25 Jun 87

[Text] Buenos Aires, 24 Jun (TELAM) -- The Central Bank today reported the economic authorities have come to an agreement with the international financial community regarding the refinancing of the notes pertaining to the principal of the foreign debt of the public and private sectors that has fallen due as of 1 January 1986.

The refinancing also includes the notes pertaining to the principal of the foreign debt refinanced under the 1985 guaranteed refinancing contract and similar contracts.

It has therefore been agreed, prior to the signing of the respective 1987 guaranteed refinancing contracts, to postpone for 180 days the maturity dates on principal repayment contracts as each one becomes due from 1 April 1987.

BRIEFS

AUSTRAL DEVALUATED -- The Argentine Central Bank today decreed a 0.84-percent devaluation of the austral. This is the third devaluation in the month of June. [Summary] [Buenos Aires Domestic Service in Spanish 1600 GMT 11 Jun 87 PY]

POPE NOT TO MEDIATE IN SEA OUTLET CONFLICT

PY260256 La Paz EL DIARIO in Spanish 17 Jun 87 p 1

[Excerpt] The papal nuncio, Santos Abril Castello stated that Pope John Paul II will not be able to mediate in the sea outlet conflict because current conditions are not appropriate.

It is very difficult for the pope to mediate in this conflict, the nuncio said. He went on to discuss recent remarks by Chilean Defense Minister, Vice Admiral Patricio Carvajal, who stated that no papal mediation is required because there are no problems with the borders, which are clearly established.

The nuncio said that mediation requires an agreement between the parties involved, and since there is no such agreement, we can hardly talk about papal mediation.

Certain Bolivian sectors believe that the conditions are appropriate for papal intervention. Such intervention has occurred in the past, resolving regional problems.

Even though there are Chilean sectors which share this belief, the latest statement by Patricio Carvajal reflects the position of Chilean Navy Commander in Chief, Rear Admiral Jose Toribio Merino [who is against any agreement with Bolivia] [passage omitted]

FOREIGN MINISTER RETURNS FROM VIENNA CONFERENCE

PY260313 La Paz La Red Panamericana in Spanish 0000 GMT 26 Jun 87

[Text] Bolivia has managed to improve its international image regarding the drug trafficking problem, Bolivian Foreign Minister Guillermo Bedregal Gutierrez has said. Bedregal returned to the country today after attending the world conference on drug abuse and illegal drug trafficking. The foreign minister returned on a Varig flight at 1325.

Foreign Affairs Undere Secretary Jorge Valdez was waiting for him at the airport along with the Assistant Under Secretary and Foreign Ministry Secretary General (Felipe Tuederik), who together with other Foreign Ministry officials welcomed Bedregal. At first, the foreign minister did not want to make any statements to the press. However, as a result of Panamericana's insistence, he agree to talk to us: [passage indistinct]. He said that good contacts were established and favorable loans were obtained for our country. He promised to grant a press conference with more information on 26 June.

As is known, our foreign minister was named president of the most important committee of the Vienna International Conference. The results of the conference were excellent.

In his last speech before leaving Vienna, Minister Bedregal said that our country and the United States will soon sign an extradition treaty on drug trafficking. This treaty will allow citizens who are accused of this crime to be tried by the U.S. justice system. The two countries are preparing an extradition treaty so that the United States will be able to try the big drug traffickers.

AERONAUTICS MINISTER SAYS MILITARY CALM

PY250414 Rio de Janeiro Rede Globo Television in Portuguese 2255 GMT 24 Jun 87

[Excerpt] [Passage omitted] The followng ministers were present at a luncheon today: SNI [National Service for Intelligence] Chief General Ivan de Souza Mendes, Armed Forces Chief of Staff General Paulo Campos Paiva, Navy Minister Henrique Saboia, and Aeronautics Minister General Julio Otavio Moreira Lima. Military Household Minister Bayma Denys was in Minas Gerais with President Jose Sarney.

The aeronautics minister, who hosted the luncheon, said there is no atmosphere of dissatisfaction within the Armed Forces.

[Begin recording] [General Moreira Lima] The Air Force is completely calm, disciplined, and dedicated to its constitutional duty. The Air Force will not deviate from this attitude.

[Unidentified reporter] The word coup is mentioned often. What possibilities are there of one?

[Moreira Lima] There is not the slightest chance of a coup. There is increased awareness among the Armed Forces members of their constitutional role. We must head for our democratic fulfillment. This is what the Armed Forces think.

There is not the least possibility of a coup, and no Armed Forces sector is interested in this.

[Reporter] Why?

[Moreira Lima] Because we are aware that Brazil must move toward its democratic fulfillment. We must leave that phase of second class banana republic behind. [end recording]

USSR REPORTEDLY INTERESTED IN BUILDING PLANT

PY251937 Rio de Janeiro O GLOBO in Portuguese 24 Jun 87 p 21

[Excerpt] Brasilia -- The Soviet Government is interested in participating in the construction of the steel manufacturing plant that will be built in Itaqui, Maranhao. A total of $3 billion (126 billion cruzados) has been budgeted for the project, which during the first stage is expected to produce 1.5 million tons of steel. The idea of building a steel plant was born during a construction of a railroad in Carajas in the 1970's. The Maranhao Government has asked the Federal Government for a credit to build the plant.

Outgoing SIDEBRAS [Brazilian Iron and Steel, Inc.] President Amaro Lanari, who was replaced by Engineer Moacelio de Aguiar Mendes on 23 June, on the same date reported on the negotiations that SIDERBRAS and the Soviet Government are holding on the construction of the plant. [passage omitted]

DEL VALLE DENIES REPORTS OF MISSILE, NUCLEAR DUMP

PY251821 Santiago Domestic Service in Spanish 1700 GMT 25 Jun 87

[Report from the Foreign Ministry by Carmen Luz Ibarra]

[Text] Foreign Minister Jaime del Valle has denied categorically that the president of the Republic supposedly authorized the U.S. Government to test the cruise missile in the Atacama desert, as was reported by a Bolivia newspaper.

The newspaper also stated that authorization had been granted to dump nuclear waste on the Chilean coastline. This was also denied by Minister del Valle.

BOMB EXPLOSIONS IN SANTIAGO CAUSE DAMAGE

FONDO Magazine Office

PY251738 Santiago Domestic Service in Spanish 1030 GMT 25 Jun 87

[Excerpts] At 0500 [0900 GMT] today a bomb hurled by unidentified individuals from the street exploded against a FONDO magaine office here on Las Hortencias street, some 50 meters from Los Leones street.

We are at the scene of the attack -- which according to some media reports was perpetrated by members of the Manuel Rodriguez Patriotic Front -- and we are going to talk to a FONDO editor (Manuel Jose Gabonal), who will explain what happened:

[Begin recording] [Gabonal] Good morning. I was asleep at 0500 this morning when I received a phone call from our maintenance person, who sleeps here. He told me he had just been awakened by a loud explosion. I came immediately and found members of Carabinero Station No 19 already on the scene. After the specialized units arrived, they told me that approximately 1/2 kg of ammonium gelignite attached to a fuse and other technical devices had been hurled from the street, destroying all the front windows of the first and second floor. [passage omitted]

[Unidentified reporter] Did the building suffer a lot of damage?

[Gabonal] Yes, there was quite a lot of damage. I couldn't tell you how much, but fortunately we are insured. The windows and some doors were ripped c mpletely out. [passage omitted] [end recording]

Supermarket, Church

PY251927 Santiago Domestic Service in Spanish 1700 GMT 25 Jun 87

[Text] A bomb explosion inside the Unimark supermarket on the corner of Irrazabal Avenue and General Gorostiaga Street caused considerable damage. The incident took place at 0800 [1200 GMT] this morning, damaging the supermarket windows. According to the police report, 2 kg of dynamite were used.

Unidentified individuals also detonated another explosive device at 4878 Club Hipico, where a Mormon church is located. This explosion caused minor damage.

The Carabineros have disclosed that they are checking vehicles carefully in a search for subversive materials.

JOINT ANTITERRORIST OPERATION STAGED IN SANTIAGO

PY240330 Madrid EFE in Spanish 0047 GMT 24 Jun 87

[Excerpts] Santiago, 23 Jun (EFE) -- A broad antiterrorist operation was begun last night and early this morning by combined army, carabineros, and police forces in Santiago.

Between 15 and 21 June, several confrontations between police forces and presumed terrorists left a total of 15 dead and 9 injured.

That violent week was preceeded by an action in the Santa Olga neighborhood intended to draw attention on Sunday 14 June. It was carried out by hooded members of the Revolutionary Movement of the Left (MIR) who in broad daylight started to fire their guns into the air, to light bonfires, and to erect barricades. [passage omitted]

STUDENTS, POLICE CLASH IN CONCEPCION; 32 ARRESTED

PY252027 Santiago Radio Chilena Network in Spanish 2300 GMT 24 Jun

[Excerpts] Approximately 50 students were arrested this afternoon after clashing with police near the university campus. As a result of the incident, the University Students Federation of the University of Concepcion called on students not to attend classes tomorrow.

The federation also called for a strike today, and the students complied. During the clash with police, some students threw Molotov cocktails and others set up barricades while the majority of the students held demonstrations downtown demanding a larger university budget and better financial aid for students. The police reacted by throwing tear gas and arresting many students. [passage omitted]

Police sources indicated that only 32 students were arrested, but did not say on what charges or under which court they will be tried.

CNI RAIDS LAWYER'S RESIDENCE, ARRESTS 5

PY251226 Santiago Radio Chilena Network in Spanish 2300 GMT 24 Jun 87

[Text] The CNI [National Information Center] today raided the residence of a lawyer in the La Reina neighborhood and arrested five persons. The operation was carried out at 520 Javier A. Carrera Sur Street, the residence of attorney Eliseo Richards, where a youth who was living with one of the daughters of the attorney was arrested. The CNI said the individual was carrying two identity cards under the names of (Jime Pavesti Farriol) and (Leonardo Antonio Vaeza Lopez) at the time of his arrest. His real identity has not been established yet. The CNI reported that in the house they found subversive material including some video cassettes carrying paramilitary instructions. These cassettes were produced in Nicaragua and brought into Chile clandestinely. The report adds that at the time of his arrest the suspect was carrying a .38-caliber revolver, plenty of ammunition, two homemade grenades, and a hood bearing the acronym of the Manuel Rodriquez Patriotic Front. Inside the house, the CNI found many women's identity cards that had been tampered with, pictures of armed groups, and a great number of slides. Attorney Eliseo Richards arrived at his home at 1600.

He told the CNI he did not know anything about the person who was living with his daughter. The attorney has two daughters who go to the university. One of them was living with the suspect. The CNI also arrested three individuals who arrived at the house driving an Austin AG, and they seized a Citroen. The CNI said both cars could have been used to carry out terrorist activities. Enrique Olivares, head of Santiago 2d Military Court, arrived at the house later to carry on the investigation.

GOVERNMENT AUTHORIZES 22 EXILES TO RETURN

PY251917 Santiago Domestic Service in Spanish 1700 GMT 25 Jun 87

[Report from Government House by Graciela Contreras]

[Excerpt] The government has approved a list of 22 exiled individuals who have been authorized to return to the country. The list was issued by Interior Minister Ricardo Garcia at noon today.

The minister also said there is a list of 528 individuals who are not authorized to reenter the country, but their cases are being reviewed. [passage omitted]

PROSECUTOR SAYS STUDY CONNECTS FPMR, SHINING PATH

PY260203 Santiago Radio Chilena Network in Spanish 2300 GMT 25 Jun 87

[Excepts] Special military prosecutor Fernando Torres has confirmed that the weapons seized during the latest raids are part of the weapons that entered the country through Carrizal.

Torres also said the latest raids are possibly related to the orders given by the court in charge of investigating the attack against the president and the illegal entrance of weapons into the country. He also explained that the people arrested during the latest raids have not been placed at his disposal and will not be unless they are connected with the cases he is investigating. [passage omitted]

Torres also confirmed there is a connection between the Shining Path and the Manuel Rodriguez Patriotic Front [FPMR]. He added there is a study which confirms the connection between these terrorist groups. Torres also pointed out that weapons had already been illegally brought into the country before the arsenals found in Carrizal. He said the terrorists found that procedure very slow and, therefore, decided to bring in large shipments of weapons for their terrorist activities. Torres also said that the Supreme Court decision to request the extradition of Cesar Bunster, one of the main leaders of the attack against the president, is very positive. [passage omitted]

PRESIDENTIAL ADVISER SENDS COMMUNIQUE TO FARC

PA242323 Bogota EL TIEMPO in Spanish 18 Jun 87 p 4A

["Official communique" by presidential adviser Carlos Ossa Escobar to the FARC Secretariat -- date not given]

[Text] Gentlemen of the FARC Secretariat:

The developments of 16 June in Puerto Rico, Caqueta, where an officer, a subofficial, 24 soldiers, and a civilian were with premeditation and cowardice ambushed and murdered by members of the FARC's 14th and 15th fronts, deserve the most vigorous condemnation by the government and the country.

These are atrocious crimes that can only be judged under criminal law.

The government, bodies within the administration of justice, and the Military Forces are taking energetic action to track down, capture, and punish those guilty of these abominable crimes.

The government has maintained its dialogue with the FARC under the assumption that it is abiding by the accords and that responsibility by the secretariat encompasses all actions by the movement. A dialogue with people who are neither obeyed nor assume responsibility for actions by those who they claim to represent would be senseless.

The governments demand that, as top leaders of the FARC, you clearly establish your position regarding these developments and their respective individual and collective responsibilities. An indefinite cease-fire cannot continue if it shelters FARC front crimes, and responsibility is not assumed by the Secretariat and each of the fronts.

The government reaffirms to the country its desire to propitiate national reconciliation and political, economic, and social change as the best option to guarantee the nation's progress and coexistence between Colombians.

Carlos Ossa Escobar

Presidential Adviser

TREASURY MINISTER EXPLAINS DEBT RENEGOTIATION

PA210227 Bogota EL TIEMPO in Spanish 13 Jun 87 pp 1A, 7A

[By Carlos Pineiros]

[Excerpts] Yesterday, Treasury Minister Luis Fernando Alarcon Mantilla flatly asserted that Colombia will not renegotiate its foreign debt "without responsible consideration for the consequences of such a measure," as some leaders have said.

Through negotiations effected by the minister in the United States and Canada during the past 8 days, the government specifically requested new loans amounting to $1.1 billion from the international commercial banks for the rest of this year and 1988. [passage omitted]

The position of the country is absolutely clear and unchanging. In other countries, renegotiation of the debt has taken place during a critical situation. "Not so in Colombia."

In this way, the minister responded to remarks by Comptroller Rodolfo Gonzalez Garcia, other Liberal Party leaders, and the Conservative Party about a restructuring of the debt, which amounts to nearly $15 billion.

If the new requests for loans are honored, -- the money from them is necessary to pay interest and keep a suitable development level -- the debt would increase by 3 percent every year. In addition, this would ensure economic growth of about 4.5 percent. [passage omitted]

"The foreign contribution should not be linked to fantastic projects whose social profit would be doubtful." This fresh money would be invested in the rehabilitation plan and to combat dire poverty. In addition, the service of the debt would be attended to.

According to Alarcon, the contracts' terms should be oriented toward improving the outlook for the debt, extending terms, and ensuring moderate interest rates.

Finally, the minister released this communique.

Since early 1986, the government has been following a strategy aimed at acquiring the foreign money necessary to finance, during the rest of the year, the major public investment programs, particularly those designed to eradicate poverty and create jobs.

In the last months of that year, the efforts centered on an outline of the investments plan and getting the money from the overall loan contracted for in 1985. A substantial portion of this money was used to finance budget allocations, most of which were earmarked to finance the National Rehabilitation Plan.

Since January 1987, we have been periodically negotiating with the multilateral and commercial international banking sector in order to obtain loans that will guarantee the necessary cash to carry out a timely investment plan, pay for the imports that are necessary to reach an over 40 percent economic growth rate, pay for the servicing of the debt, and maintain the foreign reserves at a level equivalent to 6 months of regular imports of goods and services. [passage omitted]

Despite the international capital market situation and although most of the Latin American countries have restructured their debt, and the largest commercial banks have been accumulating funds in case of future loan portfolio losses, the banks we visited agreed to study our loan request without changing the amounts or terms proposed by our government. That confirms the trust the banking sector has in the future perspectives of our country's econony. [passage omitted]

All that will allow us to adequately satisfy the country's financial needs, despite the aforementioned international capital market situation.

PRESIDENT FEBRES MEETS WITH U.S. GENERAL WOERNER

PA191530 Quito Voz de los Andes in Spanish 1130 GMT 18 Jun 87

[Text] Ecuadoran President Leon Febres Cordero yesterday met privately in the national palace with General Fred Woerner, chief of the U.S. Armed Forces Southern Command, who assumed his new duties recently and is visiting the Latin American countries to introduce himself and hold talks with government and Armed Forces authorities in various countries.

Gen Woerner made no remarks to the press at the government house because, according to Fernando Rondon, U.S. ambassador to Ecuador, the general is new to his post and is still familiarizing himself with his new duties. However, the ambassador said that they [not further identified] hope to maintain the best of relationships with the Ecuadoran Armed Forces, which he described as constitutionalist and as having defended democracy with their blood. Rondon said it is an honor to be associated with the Ecuadoran Armed Forces.

POLICE REPORT ON GUERRILLA 'SUMMIT' IN NICARAGUA

PA232005 Madrid EFE in Spanish 1657 GMT 23 Jun 87

[Text] Quito, 23 Jun (EFE) -- Official Ecuadoran police sources today reported that a "terrorist summit" was held in Nicaragua for the reorganization of the Ecuadoran Alfaro Lives Dammit (AVC) guerrilla group.

This was reported in the local news media after Miguel Angel Jarrin, brother of [former] AVC leader Arturo Jarrin, was arrested on the Colombian border. Arturo Jarrin was killed in Quito during a clash with the police on 27 October 1986. Miguel Angel Jarrin has also been accused of being a member of the leadership of that subversive organization.

The police sources did not specify the place in Nicaragua where the "subversive summit" was held, but they did add that in addition to Jarrin, the meeting was attended by the current AVC leader, Mireya Cardenas, and other memebers of the AVC leadership.

A woman was wounded in the abdomen by shots fired by Colombia's Administrative Department of Security police as they were trying to arrest Jarrin. Reports do not indicate the woman's condition.

Jarrin was trying to enter Ecuador via the Rumichaca international bridge with a false passport, an action that aroused the suspicion of the Colombian policemen. Taking advantage of a momentary lapse, Jarrin was able to escape despite the shots fired at him. However, he was arrested on the other side of the bridge by Ecuadoran customs officials.

The AVC was all but broken up in 1986 when Ecuadoran police killed its three "commanders," Arturo Jarrin, Hamet Vasconez, and Fausto Basantes in shoot-outs in Quito.

The accusation against Nicaragua by the Ecuadoran police comes at a time when the two countries do not have diplomatic relations. The break in diplomatic relations was unilaterally decided in October 1985 by the government of conservative President Leon Febres Cordero.

FURTHER REPORTAGE ON CURRENT CABINET CRISIS

Garcia Calls Crisis 'Temporary'

PY260325 Madrid EFE in Spanish 0250 GMT 26 Jun 87

[Text] Lima, 25 Jun (EFE) -- Peruvian President Alan Garcia today said that "temporary problems will not affect" his government. He made this statement in reference to the current ministerial crisis which opposition and business sectors believe is creating "instability" and "uncertainty."

Garcia did not say when the ministerial crisis, which was created by the resignation of Prime Minister and Economy Minister Luis Alva Castro, will end. Neither did he discuss Alva Castro's successor.

Garcia said that the important thing "is the progress of the people" in a speech delivered after promulgating a law creating the Museum and Cultural Center of Peruvian Workers [El Museo y Centro Cultural De los Trabajadores del Peru] and declaring the Lima district of Vitarte, where the ceremony was held, an "historical" site.

Addressing a crowd Garcia said "individuals do not matter" if the people, "their struggle, blood, and history is here." He added there could be immediate economic problems, but this will not stop him from pursuing his objective of "deeply" transforming our society.

Alan Garcia explained that the urgent problems will be solved, but the "important" thing is "not to lose the pace of history."

He reiterated that his government is for the workers and the neglected majorities.

The president urged the people to maintain their unity during hard times which "are temporary."

During the ceremony, Alan Garcia was accompanied by the ruling APRA [American Popular Revolutionary Alliance] Secretary General Luis Negreiros, who is thought to be the next prime minister, replacing Luis Alva Castro, who resigned. Senate President Armando Villanueva was also present. During this public appearance, the chief of state did not make any direct or special reference to the cabinet crisis which is already in its 4th day.

Today, just like yesterday, Alan Garcia held meetings with the APRA Executive Board members, but nothing was revealed regarding a possible solution to the crisis.

Alva Reportedly To 'Continue'

PY251910 Buenos Aires DYN in Spanish 1850 GMT 25 Jun 87

[Excerpt] Lima, 25 Jun (AFP) [as received] -- Deputy Luis Negreiros reported today that Luis Alva Castro, the resigning Peruvian prime minister, will continue in his post along with the rest of the members of the Cabinet until President Alan Garcia appoints a new Cabinet.

Negreiros, who is the secretary general of the ruling APRA, said that Garcia has not yet announced whether he has accepted the irrevocable resignation that Alva Castro, who is also economy minister, submitted on 22 June. [passage omitted]

Mujica Confirms Resignation

PY251456 Lima RBC Television in Spanish 0430 GMT 25 Jun 87

[Excerpts] Minister of the Presidency Nicanor Mujica has stated that, regarding his post, he is waiting for the president's decision. He also reviewed what has been done during his tenure.

[Begin recording] [Passage omitted] [Unidentified reporter] Regarding your job, you have also submitted your resignation to the president?

[Mujica] My resignation is in the hands of the president, the same as all the other ministers. [passage omitted] [end recording]

Delay of Reshuffle Possible

PY251329 Madrid EFE in Spanish 0715 GMT 25 Jun 87

[Text] Lima, 25 Jun (EFE) -- Peruvian Government sources today admitted the possibility that President Alan Garcia might delay for 1 month the resolution of the 3-day-old cabinet crisis.

The president can designate a temporary prime minister to replace Luis Alva Castro, who resigned his post, thus postponing the reshuffle of his Cabinet until 28 July, Peruvian Independence Day, which is the usual date for Cabinet changes in Peru.

Senator Guillermo Larco Cox, considered a likely candidate for the post of interior minister, mentioned the possibility on Wednesday evening. Last month, President Garcia designated Larco Cox as mediator of the crisis that followed an illegal police strike.

Vice president Luis Alberto Sanchez, however, said "the most natural thing would be to do without a transition Cabinet." Sanchez had already confirmed that President Garcia designated ruling APRA Secretary General Luis Negreiros, a union leader, as the new prime minister.

On Wednesday, President Garcia held comprehensive talks with the leaders of his party, analyzing the situation that developed after the resignation of Alva Castro, who also held the post of economy minister and who resigned after 2 years in office.

In their appearances in public, the most prominent APRA leaders have conveyed the impression that the situation is "totally normal," they have minimized the effects of the crisis, and they have stressed that there is no "power vacuum." They remarked that "President Alan Garcia is the guarantor of the stability of democracy and of the institutions."

The caretaker Cabinet members, who resigned en masse after the resignation of Alva Castro, also tried to convey an impression of normalcy by reporting to their offices on Wednesday as usual.

No terrorist activity has been reported since the Cabinet crisis broke out last Monday. Terrorism is the major destabilizing factor in Peru.

Rightist and leftist opposition congressmen have demanded a quick resolution of the crisis, the first one that 38-year-old President Garcia has had to face in his 23-month-old term in office.

Almost all Peruvian media have pointed out that the crisis was provoked by the stagnation affecting the Peruvian economy. According to the experts, this situation was caused by the virtual financial boycott that has affected Peru as a result of President Garcia's decision to earmark only 10 percent of the Peruvian export income to servicing the foreign debt, which is approximately $15 billion.

The main designer of the policy, which international financial cricles have termed "revolutionary," was Alva Castro who, according to observers, has decided to leave in view of the possibility of having to confront an even worse domestic economic crisis. This decision by Alva Castro is linked with his supposed wish to run for president in the 1990 elections.

Even though official spokesmen have said that the designation of ministers is the exclusive responsibiilty of Garcia, it seems that the crisis will be solved with the intervention of the party. Most of the persons who have been most frequently referred to as successors of Alva Castro or to the ministers who are expected to be replaced are prestigious APRA leaders. There has been displeasure in the APRA rank-and-file over what has been regarded as Garcia's "excessive participation in the making of decisions." The rank-and-file has demanded more political decisionmaking power for the party.

Senator Says Situation 'Normal'

PY251526 Lima RBC Television in Spanish 0430 GMT 25 Jun 87

[Text] Senator Luis Alberto Sanchez has stated that it cannot be denied that a crisis exists due to the unusual resignation of Luis Alva Castro.

[Begin recording] [Unidentified reporter] Therefore, some type of power vacuum exists?

[Sanchez] Why a power vacuum? Every time a Cabinet resigns, the ministers remain in their post, but as caretakers. Nothing is interrupted. This happens all over the world.

[Reporter tries to interrupt]

[Sanchez] Shut up, I am speaking. You know that this happens every 2 or 3 months in Italy, and no one runs around acting scared. I believe there is an atmosphere of alarm that does not reflect what is really happening.

[Reporter] In general terms, what can the population expect?

[Sanchez] A new Cabinet. Because even though some of them will be named again to their posts they will be unconfirmed. Because when the prime minister resigns all the other resignations have to be accepted and some of the others can be named, but as new appointments. [sentence as heard]

[Reporter] But at this time would it be prudent...

[Sanchez, interrupting] There would be no imprudence in a Cabinet change because it is not an abnormal or catastrophic event.

[Reporter] Would you say there is a crisis?

[Sanchez] When the prime minister resigns there is a ministerial crisis. This is defined in any constitution.

[Reporter] And what about the statements being made by the opposition in that there is infighting in the party?

[Sanchez] Well, if that is what the opposition is saying, then we can counter with statements about the opposition.

[Reporter] Is there fraternity within the party?

[Sanchez] I believe so. It is very hard to talk about fraternity; unity is more important. I can be united with you but not love you as a brother. It is very simple.

[Reporter] Do you believe that there could be an interim Cabinet until the president makes a definite decision?

[Sanchez] I do not seek why not. That might or might not happen, but it will probably not happen.

[Reporter] Dr Sanchez, have the activities of the country been paralyzed somewhat with the resignation of the ministers?...

[Sanchez, interrupting] No, absolutely not. Due to the alarm that has been caused, maybe, but not because of the resignations. Everyone has to do his job.

[Reporter] In general terms, what can you tell the people?

[Sanchez] That they are making an extraordinary event out of something that is absolutely normal. Our Constitution handles this matter in a very ordinary manner. Now, when a Cabinet is changed because it has been censured, thus indicating a rupture with a sector of the party, the Constitution establishes that when 3 years have passed [words indistinct] the president is authorized to dissolve the Chamber of Deputies and call elections within 30 days. In other words, everything is provided for in the Constitution, and this happens in all countries that have a democratic system.

[Reporter] [Question indistinct]

[Sanchez] The fact that you can ask me tells you that we are living in a democracy.

[Reporter] [Words indistinct] democracy in the country?

[Sanchez] I do not believe [words indistinct]. I believe so, and I sincerely hope that it will become strong with the individual's conduct. [end recording]

LUSINCHI NAMES NEW DEFENSE MINISTER, GENERAL STAFF

PA252130 Hamburg DPA in Spanish 2027 GMT 25 Jun 87

[Text] Caracas, 25 Jun (DPA) -- Venezuelan President Jaime Lusinchi today designated Division General Eliodoro Guerrero Gomez as the new defense minister.

The ranking officer, who up until today held the post of Army commander, replaces Division General Jose Refael Cardozo Grimaldi, who will soon retire.

The president also announced the composition of the new joint General Staff, which will be composed of General Ramon Mendoza Ibarra and Vice Admiral Victor Mendez Rea as new inspector general of the Armed Forces.

DEFENSE MINISTER MEETS WITH GUYANESE COUNTERPART

PA222307 Caracas Television Service in Spanish 1600 GMT 22 Jun 87

[Text] A Zulia state military court is currently carrying out an investigation of the incident on Perija Mountain [in which Colombian guerrillas attacked Venezuelan soldiers]. The Colombian and Venezuelan Armed Forces are maintaining contact with each other to adopt appropriate measures. Defense Minister Division General Jose Rafael Cardozo Grimaldi announced this during the meeting he is holding with his Guyanese counterpart, General Norman Gordon. In the meeting, the Guyanese representative said that the Armed Forces will accept the decision that their government adopts regarding the dispute over Essequibo because they respect democracy and international law.

Gen Norman Gordon was welcomed at the Francisco de Miranda Air base by Defense Minister Cardozo Grimaldi. The Guyanese representative will attend the celebration of the 166th anniversary of the Battle of Carabobo and will sign cooperation agreements on the fight against drug trafficking along the border between the two countries. His working agenda including the discussion of topics of common interest to increase the cordial relations between Guyana and Venezuela. This process has already begun with the increase in economic cooperation. Gen Norman Gordon said he fully agrees with the establishment of closer ties, something that should be normal in the relations between two neighboring countries.

BRIEFS

ANTIDRUG STATISTICS -- From 1983 to June 1987, Venezuelan authorities have confiscated 530 kg of cocaine, 187 kg of bazooka, 66,100 kg of marijuana, 67,944 liters of ether, and 492,847 liters of acetone. In addition, 208,339 coca plants and 5,892,149 marijuana plants have been detected and burned. During the same period, authorities carried out 1,138 arrests and destroyed 5 laboratories. The National Guard is currently destroying 1 million coca and marijuana plants in the perija mountain range, of which 600,000 plants were destroyed during the first 15 days of June. [Excerpts] [Caracas Television Service in Spanish 0000 GMT 24 Jun 87 PA]

WOMEN TO PARTICIPATE IN CONGRESS IN USSR

FL192019 Paramaribo International Service in English 1730 GMT 19 Jun 87

[Text] A delegation of six women, among who are the chairpersons of the Progressive Women's Union, the National Women's Movement, and the Women's Section of the 25th February Movement, will participate in a women's congress in the Soviet Union. The Surinamese women have been invited by the president of the World Congress of Women, an international organization which has its headquarters in Berlin, the German Democratic Republic. The theme of the congress, which will be held from June 23rd to June 28th is towards the Year 2000 Without Nuclear Weapons, For Peace, Equality, and Development.

BRUNSWIJK JUNGLE UNIT DRIVEN OUT OF BROKOPONDO

FL251220 Hilversum International Service in English 1030 GMT 25 Jun 87

[Text] The official news agency in Suriname, SNA, says that the Ronnie Brunswijk jungle commando unit has, for all practical purposes, been driven out of the Brokopondo area.

Army leader Desi Bouterse visited this area in central Suriname on Tuesday [23 June] to assess the results of an army drive against the rebels.

The SNA says that army actions uncovered 42 hunting rifles as well as ammunition and homemade bombs.

Meanwhile, Army Chief of Staff (Ivan Hrouse) has called on members of the jungle commando unit to report to local government officials. The government will then look into possibilities, he says, of rehabilitation for the rebels.

BOUTERSE OTHER LEADERS VISIT BROKOPONDO DISTRICT

FL252043 Paramaribo International Service in English 1730 GMT 25 Jun 87

[Text] Government leader Desi Bouterse and some government ministers visited the Brokopondo District on Tuesday to see how social and economic activities in the district could be reactivated. During a meeting with captains and chiefs of the various villages, the spokesman for the interior residences said they have made a lot of mistakes due to the lack of information, but they now want to support the government to reactivate the activities. The government distribution center will start to supply the area with foodstuffs again. The supply of foodstuffs to the area was cut off for 6 weeks. Commander, (Hanoust), of the military authority, said that those who have joined the jungle commandos and would like to leave the gang can go to the chiefs in the villages. The government and the chiefs will then decide how these people can be rehabilitated. The delegation also visited the palm oil company at Victoria and the cattle ranch at (Brombuhul) which are now almost closed because of terrorist activities. Manager of Victoria, (Anthony Fong Kums) said there are possibilities to resume palm oil production in the near future.

ESTIMATE ON TERRORIST DAMAGE AT CATTLE RANCHES

FL252048 Paramaribo International Service in English 1730 GMT 25 Jun 87

[Text] The damages inflicted on the cattle ranches at Tibiti and (Brombulhul) as a result of terrorist activities in east of Suriname has been estimated at some 300,000 Surinamese guilders. This was disclosed by director of the Foundation of Experimental Agriculture, Mr Alvares, during a visit yesterday to the Brokopondo District by a delegation including government leader Bouterse. Mr Alvares also pointed to the necessary adjustments which have to be made on these two ranches. They include stopping of registration and selection of cattle, the opening of all pastures, and the changing of the character of the ranches. The changes mean that the cattle are now scattered in large areas, with little care. He further stated that serious damages were done to the buildings and roads of the ranches, while cattle rustling is taking place. Because of the insecure situation, workers have left the area. The Foundation of Experimental Agriculture is a project of the government, which is aimed at improving the quality of the meat and dairy industry in Suriname. Both ranches now have about 2,300 heads of cattle.

AMENDMENTS TO DRAFT CONSTITUTION REQUESTED

FL122240 Paramaribo International Service in English 1730 GMT 12 Jun 87

[Text] Seven persons have submitted a memorandum of more than 13 pages for amendments to the draft Constitution of Suriname. In a document, they call for attention to be paid to 13 articles which govern the State Council until the second (?new) sitting of the National Assembly, the composition of the Security Council, the right to own property, and the right to (?undertake). The petitoners presented their proposals to the president of Suriname, the government leader, the National Assembly, the Council of Ministers, and members of the Top Deliberating Council. However, while officially it has been stated that the population can make proposals for amendments to the draft Constitution, voices have been going up at the top of the political ladder to leave the draft unchanged. The reason for this is that the draft is a compromised proposal of the military authority, the private sector, traditional political parties, and the trade unions. The way in which the changes could be affected have not yet been made known.

OLD POLITICAL PARTIES DISCUSSES POSSIBLE COALITION

FL191917 Paramaribo International Service in English 1730 GMT 19 Jun 87

[Text] Later in July the old political parties VHP [Progressive Reformed Party], NPS [Suriname National Party], and KTPI [Indonesian Peasants' Party] will hold a mass meeting. Talks for a coalition among the three parties have not yet ended. This was disclosed to DE WARE TIJD bulletin by VHP Chairman Jaggernath Lachmon. He said it was not officially announced that the three traditional parties would have a mass meeting on July 5th and that's the reason why it will be untrue to say that meeting was postponed. Lachmon was clearing the air about report that at that meeting a coalition among the three parties would have been announced to take part in the November 25th general election. Also, it would be unjust to hold the second month's meeting on the same day the National Democratic Party is being launched, said Lachmon. In the meantime, it was announced that a launching of the NDP, the National Democratic Party, will take place on July 4th.

MONEY EMBEZZLED FROM NATIONAL RESISTANCE COUNCIL

FL242110 Paramaribo International Service in English 1730 GMT 24 Jun 87

[Text] (Addieu Sasoon) and (Hank Chin A Feong) of the Dutch based National Resistance Council have embezzled 350,000 Dutch guilders. The SURINAME NEWS AGENCY reported that (Andre Haakmat) of the Resistance Council revealed this to the Dutch press last week. (Haakmat), who revealed that the money was meant for arms purchases for the Brunswijk gang, said that an additional 100,000 Dutch guilders for food and medicines found its way to the jungle of Suriname. The money was part of the sum paid to the council by Lloyds Insurance for the release of Suriname's Airways Twin Otter aircraft.

BOUTERSE WRITES INTRODUCTION TO PUBLICATION

FL252050 Paramaribo International Service in English 1730 GMT 25 Jun 87

[Text] The national production plan, a production system controlled by Suriname, political and social cultural unity, and respect among each other are necessary to fulfill the process of nation-building successfully. Government leader Bouterse stated this in the introduction of the recent publication "Crisis and Perspectives." The book contains a number of statements, reports of discussions, conclusions, and recommendations of the national [3-second transmission break] This congress was held in March, this year, in Paramaribo. The government leader wrote further in the introduction that we will not be able to understand nor find solutions to our problems if we are not aware of the fact that until now our colonial history is putting a stamp on all society. A good understanding of the problems and unity in finding the solutions are therefore necessary, wrote Bouterse. According to government leader Bouterse, within a short time the government and the top deliberating council will produce an action plan based on the recommendations of the congress.

PALM OIL COMPANY WORKERS TO RECEIVE SALARY CUTS

FL242114 Paramaribo International Service in English 1730 GMT 24 Jun 87

[Text] Workers at a palm oil company in Suriname will receive less money for next month. In a letter to the unions, the management said the measure was an emergency one which had to be taken because of the crisis in the palm oil industry. Between July and September, the workers who were not engaged in any regular work will receive four-fifths of their salary and in the last 3 months of the year, three-fifths. The management will consider in December what could be further done. In the meantime, everything possible will be done to employ the workers elsewhere so they could receive full salaries. Since October last year, [word indistinct] oil company at Patamacca burned down by terrorists the palm oil industry came to an almost standstill. The management of the industry has succeeded in finding work elsewhere for the better part of its workforce. These workers are receiving full salaries.